



City of Austin

Recommendation for Action

File #: 25-2264, **Agenda Item #:** 13.

11/20/2025

Posting Language

Authorize negotiation and execution of an interlocal agreement with Workforce Greater Austin Area Workforce Board d/b/a Workforce Solutions Capital Area Workforce Development Board to pledge eligible local childcare funds through a Child Care Local Match Contribution Agreement for a total amount not to exceed \$1,585,476. Funding: This match comes from existing child care contracts already funded by the City. This item has no fiscal impact.

Lead Department

Economic Development.

Fiscal Note

This item has no fiscal impact.

For More Information:

Anthony Segura, Interim Director, Austin Economic Development, 512-974-3187; Khotan Harmon, Interim Workforce and Childcare Division Manager, 512-974- 9327.

Additional Backup Information:

Workforce Greater Austin Area Workforce Board d/b/a Workforce Solutions Capital Area Workforce Development Board (WFS) is the administrator of the childcare subsidy system in Austin/Travis County. WFS is also a local agent for the Texas Workforce Commission and distributes state and federal childcare funding for low-income working families in Austin/Travis County. The federal government allows states to use state and local government funds to match federal funds, such as the Austin Economic Development Childcare investments. Texas does not match all available federal childcare funding, so local government funds can be used to increase the available match presented by federal funds. The Child Care Local Match Contribution Agreement was established to provide the local match for federal funds, anticipated to be at a matching ratio of 34% local funds to 66% federal funds, resulting in about \$1.98 in federal funds for each \$1.00 in City funds. Both the local and matched federal funds will be used for the provision of allowable childcare services in the WFS local workforce board area.

Breakdown of the pledged funds:

Agency	Program Name	FY26 Amount
Mainspring Schools	Mainspring Magic Quality Investment Project	\$68,000
Rise Child Development Center	Childcare for Black Mothers	\$136,127
Workforce Solutions Capital Area Workforce Board	Quality Childcare Collaborative (QC3)	\$1,118,210
KinderCare	KinderCare at Bergstrom Tech Rent and Operating Expenses (<u>OpEx</u>)	\$290,968
TOTAL		\$1,685,476

The Child Care Local Match Contribution amount of \$1,585,476 in pledged funds is from the \$1,685,476. Workforce Solutions will only need \$1.5 million because they are able to meet the pledge fund target from other local partners.

District: All

Will this RCA include backup document[s] : Yes

APPROVAL INITIALS

Division Manager:	Date:
Finance Manager: MC	Date: 10.9.2025
ELT Member: Ann Eaton	Date: 10.15.2025
Department Director:	Date: